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CHAPTER III

PRESIDENTIAL ADMINISTRATION: DOMESTIC AFFAIRS

In an address to the Senate, November 5, 1838, on retiring from that body preparatory to his inauguration as President, Lamar stated that it would be inconsistent with the occasion to call attention to any specific measures which he might desire, but he considered it proper to say that a crisis had arrived when the question of separate national existence was to be settled.

If we will but maintain our present independent position—diffuse knowledge and virtue by means of public education—establish a sound and wholesome monetary system—remove the temptation and facilities to every species of speculation and unrighteous gain—make truth, virtue and patriotism the basis of all public policy—and secure the confidence of foreign nations by the wisdom of our laws and the integrity of our motives, I cannot perceive why we may not, within a very short period, elevate our young republic into that political importance and proud distinction which will not only command the respect and admiration of the world, but render it the interest of the nations now discarding our friendship, to covet from us those commercial relations which we vainly solicit from them.⁴⁴

In his inaugural address on December 10, while refraining from announcing a policy on domestic affairs, he came back to the idea of independence, expressed in his address to the Senate. He said

⁴⁴*Lamar Papers*, No. 867.

that notwithstanding the overwhelming sentiment in favor of annexation, he had never been able to discover any advantage, either civil, commercial, or political in forming a connection with a country already torn with strife. In his first annual message to Congress, December 21, he did outline his policy with regard to the administration.

In this message, which was a long one, he recommended the appropriation of land for the establishment of a public school system and a University; a uniform municipal code; the establishment of the Common Law of England by Statute; the gradual return to free trade, and substitution of direct taxation for import duties; the establishment of a national bank. He announced that his policy towards the Indians would be directly opposite to that of his predecessor, who was held to have been too lenient. He hoped for recognition of Texan independence by the European governments, and for a favorable commercial treaty with the United States.⁴⁵

In discussing the action of Congress on these recommendations I shall take up the policies of the President in more detail. As there was no further action taken either by the President or Congress on the subject of a national bank, I shall give at this place an outline of the plan suggested by Lamar.

After expressing strong objections to private incorporated banks, and tracing the history of the Second United States Bank, claiming that the United States Bank had created a sound currency, he expressed himself as favoring a national bank owned exclusively by the government. It should be incorporated for a suitable number of years, founded on a specific hypothecation of a competent portion of the public domain, with the guarantee of public faith, and an adequate deposit of specie. It was to be the depository of public funds, and was to deal in foreign exchange. He realized that real estate was not readily commutable, and that the daily needs of commerce and trade needed specie itself, or "that active and undoubted credit, of which a known and sufficient deposit of the metals, or something equivalent to them, is the proper basis." He had no plan for securing the specie, but trustfully dismissed the matter by saying, "It is believed the proposed bank would be

⁴⁵*Telegraph and Texas Register*, December 26, 1838; *Lamar Papers*, No. 948.

amply furnished with that equivalent—and to all necessary extent with the actual metallic deposit itself.”

The directors were to be chosen from the best qualified men of the country without reference to their political opinions. The whole number of directors was to be divided into three sections, one section to retire every year without reeligibility until after three years. The Congress was to elect the directors by joint ballot, and the Senate was to appoint the president of the bank on the nomination of the President of the Republic. He ended by saying that he had spent so much time on it because he felt strongly its importance. Notwithstanding the time spent in thinking out such a scheme, and the large proportion of the message applied to it, no effort was made to follow it up with legislation. It is only an instance of Lamar’s inability to follow out in practice the schemes he was able to suggest.⁴⁶

I. Education

Next to the plan for a national bank, Lamar devoted the greater part of his message to a discussion of the need of public education, and to an outline of a policy. The people of Texas had been too busy to attend to the establishment of an educational system. Under the administration of Houston various schools and colleges had been chartered, but this in no sense constituted the establishment of a system of public education aided by the State. Hence, Lamar can be credited with initiating and carrying through a school system which was to become permanent, and is the foundation of the public school system in Texas today.

He had given a hint of his attitude toward public education in his address to the Senate on November 5. In his message of December 21, he said that if it was desired to establish republican government upon a broad and permanent basis, it would be the duty of Congress to adopt a comprehensive and well regulated system of moral and mental culture. Every person had an inter-

⁴⁶His advocacy of a national bank is probably an echo of the struggle for a recharter of the Second United States Bank. During the Nullification struggle Lamar became definitely estranged from Jackson to the extent of adopting some of the principles of the other party. The training he received in Georgia from 1825 to 1835 is constantly showing itself in his Texas activities. It is interesting to note that Houston, who was an ardent admirer of Jackson throughout, ridiculed Lamar’s idea of a national bank.

est in public education, he said, and the subject was one in which there were no jarring interests involved, and no acrimonious political feelings excited. "It is admitted by all," he continued, "that cultivated mind is the guardian genius of Democracy, and while guided and controlled by virtue, the noblest attribute of man. It is the only dictator that freemen acknowledge, and the only security which freemen desire." His recommendation was that "a liberal endowment which will be adequate to the general diffusion of a good rudimental education in every district of the Republic, and to the establishment of a University where the highest branches of science may be taught, can now be effected without the expenditure of a single dollar—postpone it a few years, and millions will be necessary to accomplish the great design." His idea was that an appropriation of lands for that purpose would be no hardship, and would constitute the best endowment for the school system.

The part of the message relating to education was submitted to the committee on education in the House, and early in January a bill was presented in harmony with Lamar's suggestions. It speedily passed both Houses of Congress and received the signature of the President on January 26, 1839. It provided that each county should have, in tracts of not less than 160 acres, three leagues of land for primary schools. If a county did not have within its limits enough good land vacant, it was entitled to survey any unoccupied land in the Republic. For two colleges or universities fifty leagues were to be set aside, and not to be disposed of except by lease.⁴⁷ On the same day an act was passed incorporating the "College of DeKalb." The act named a board of superintendents or trustees, exempted the property from taxation, authorized the board to employ teachers, suppress nuisances, and collect a fine from any liquor dealers within a half mile of the college. Four leagues of land were granted by Congress to this institution for buildings and apparatus, and for the promotion of arts, literature and sciences. This was but one of several acts appropriating land in aid of private institutions.

The act appropriating lands for the benefit of a general school system, January 26, 1839, like so many acts of the Republic, provided no method of administering its provisions. The next ses-

⁴⁷Gammel, *Laws of Texas*, II, 135.

sion of Congress took steps to remedy this defect. On February 5, 1840, an act was approved "to provide for securing the lands formerly appropriated for the purposes of Education." The Chief Justice and the two Associate Justices in each county were designated as school commissioners. They were instructed to locate the three leagues provided for under the Act of January 26, 1839, as early as possible, and to cause to be surveyed and sold an additional league for the purchase of scientific equipment, one-half of the proceeds to be used for the benefit of an academy in each county, and the remainder distributed equally among the common school districts. The commissioners were to establish schools, and examine applicants for positions as to good moral character and literary qualifications. They were not to grant certificates to teach in academies unless the candidates gave satisfactory evidence of good moral character, and were graduates of some college or university; for common schools the applicants should be of good moral character, and be able to teach reading, writing, English grammar, arithmetic, and geography.⁴⁸

It should be said that the generosity indicated by these acts was more apparent than real. The settlers in Texas were few and land was abundant. Besides, the frontiers were surrounded by hostile Indians, who interfered with the survey of the lands. This situation, and the lack of specie, led to a delay in securing the lands appropriated, and it is probable that only a small quantity had been actually taken up by the counties entitled to it when the Republic came to an end. The acts are important, however, as furnishing the foundation for the educational system subsequently established.

Another interesting suggestion, which seems to have received no attention, is found in Lamar's second annual message, November 12, 1839, when he advocates the creation of the "Home Department." This was to have supervision of a system of education suited to the condition and policy of the country. "Congress at its last session," he said,

in accordance with a wise, liberal, and enlightened policy, made large appropriations of land for the endowment of colleges, academies, and primary schools. But the appropriations, though liberal, will require the utmost care and management and applica-

⁴⁸*Ibid.*, 320-322.

tion, to make them equal to the important work which is to be achieved. In their present condition, they can be regarded only as the foundation of a fund, which, by judicious measures, and well digested plans of operation, may be husbanded and increased until it shall be amply sufficient for all the purposes intended; but, without such measures, it may be frittered away in useless experiments, or swallowed up in the prosecution of visionary schemes, which can result in no permanent good to the country. It is, therefore, my deliberate opinion that if no other advantage was expected to be derived from the establishment of a bureau of education, than such as would result from a judicious management of its funds, that advantage alone would be sufficient to justify the expenses required for the support of such a bureau.

One advantage of this would be a uniform system in the schools and universities, which would maintain "the sacred principles of free institutions." If despotic systems could maintain themselves by a system of national education, he asked, why could not a representative republic? He would say to the government, "Open wide the doors of knowledge, but keep the key of the temple."⁴⁹

II. *Finances*

From the beginning to the end of the existence of Texas as an independent republic, the most serious problems confronted by her statesmen were in raising revenue and providing for the financial administration. With little money except that contributed by friends in the United States, she became independent in 1836, just before the panic of 1837 swept over the United States and brought about a failure of that source of funds during the trying days when the people of Texas were attempting to establish their government. In the absence of specie, many expedients were tried to provide funds for the government and as a circulating medium for trade. A moderate tariff on imports, an unenforced and unenforceable direct tax, and a foreign loan were tried, and, these all failing to supply funds, the printing presses were put to work turning out paper money which depreciated as soon as issued. When Lamar assumed the presidency in December, 1838, he found all these methods of raising money in use.

By the ordinance creating the provisional government, passed by the Consultation, November 13, 1835, power was granted to

⁴⁹*Telegraph and Texas Register*, November 27, 1839.

the General Council "to impose and regulate imposts and tonnage duties, and provide for their collection under such regulations as may be the most expedient." Under the authority of this provision the General Council in December, 1835, passed an ordinance creating collection districts and providing for the collection of duties on imports at a rate of 25 per cent *ad valorem*. No duties were collected under this act, however, and on March 12, 1836, the constituent convention declared that the provisional government had exceeded its authority in levying import duties, and ordered a refund if any duties had been paid.⁵⁰

The first Congress under the Constitution met early in October, 1836, and in his message to Congress President Burnet said:

Duties on imports, and in some cases on exports, constitute a convenient and economical mode of supplying the public necessities, and are less onerous to individuals than almost any other impost. . . . When the abundant intrinsic resources of our country shall be fully developed, then it may be the glory of Texas to invite kindred nations of the earth to an unembarrassed intercommunication of their diversified products.⁵¹

Acting in harmony with this suggestion Congress passed a tariff act, to become effective June 1, 1837, which was signed by Houston, who had, in the meantime, been inaugurated as the first President under the Constitution. The policy of the government, as indicated by this act, was to place a rather heavy duty on luxuries and a comparatively light one on necessities. For example, on wines and silks an *ad valorem* duty of 45 and 50 per cent, respectively, was charged, while on necessities, such as broad-stuffs, coffee, sugar, and other articles, the duties ranged from 1 per cent to 10 per cent *ad valorem*. All unenumerated articles were to pay duty at the rate of 25 per cent *ad valorem*, as in the act of December, 1835, under the provisional government. No provision was made for collection districts, and no collectors were appointed before the enactment of another tariff act in June, 1837.⁵²

On June 12, 1837, a more comprehensive tariff bill was ap-

⁵⁰Christian, "Tariff History of the Republic of Texas," in *Southwestern Historical Quarterly*, XX, 316.

⁵¹First Congress, First Session, *House Journal*, 13.

⁵²Christian, "Tariff History of the Republic of Texas," in *Southwestern Historical Quarterly*, XX, 318.

proved by the President. The preamble to the act declares its purpose to be to raise a public revenue by import duties, to aid in defraying the public expenses, sustaining the public credit, and securing to the public creditors a fair annual or semi-annual interest on their stock in the funded debt. Most foodstuffs were admitted free of duty, the list consisting of breadstuffs, including corn, wheat, barley, and oats; pickled beef, salted and smoked pork, neat's tongue; potatoes, beets, beans, rice, and vinegar. Another free list included tools of trade, lumber and building materials, firearms and ammunition. Luxuries were required to pay a high duty, as in the earlier act, and on all unenumerated articles the rate was to be 25 per cent *ad valorem*. This act was amended in December by an act which materially extended the free list by adding sugar, coffee, tea, salt, iron, steel, household furniture, cotton bagging, bale rope, books, stationery, machinery of all kinds, wagons, carts, harness, and all necessary farming utensils. This act continued unchanged until February, 1840.⁵³

Two direct tax acts were passed before the beginning of Lamar's administration, the first on June 12, 1837, and the second on May 24, 1838. The first provided for an *ad valorem* tax of one-half of 1 per cent on all property, and for cattle and horses belonging to citizens of the United States, one dollar a head.⁵⁴ In the act of May 24, 1838, the policy of enumerating the property was adopted, and the list subject to direct tax included land, slaves, horses over two in number, cattle over twenty-five in number, watches, clocks, and pleasure carriages. The rate continued as in the first act.⁵⁵

Opposition to the tariff developed before the system got under way. While the act approved December 18, 1837, was under discussion in Congress a resolution was introduced in each House calling for the abolition of all tariff laws. The resolution failed to come to a vote in the House, but in the Senate it was defeated by a vote of seven to three.⁵⁶ In the Third Congress, which met on November 5, 1838, several resolutions similar to the ones in-

⁵³*Ibid.*, 321-324; Gammel, *Laws of Texas*, I, 1313, 1314, 1490.

⁵⁴Gammel, *Laws of Texas*, I, 1319.

⁵⁵*Ibid.*, I, 1514.

⁵⁶Christian, "Tariff History of the Republic of Texas," in *Southwestern Historical Quarterly*, XX, 325.

troduced in the preceding Congress were introduced in both House and Senate and referred to committees.

While these resolutions were under consideration by the committees the *Telegraph and Texas Register*, one of the most influential newspapers of Texas during this period, came out in support of them. The editor, Francis Moore, Junior, in discussing the resolutions for the abolition of the tariff, said that he had long desired to see such a measure carried into effect. He thought that whatever sums were needed to defray the expenses of government were better raised by a direct tax; that duties were unequal, unjust, and evaded by smugglers. The tariff was not necessary to maintain the standard of the currency, he said, as that was maintained by the confidence of the people. He thought that free trade would be wise, as the adjoining States of the United States and Mexico would be induced to get their supplies through Texas, since they were suffering under a burdensome tariff system.⁵⁷

This, then, was the situation when Lamar came into office on December 10, 1838. Moderate tariff and direct tax laws were on the statute books, but the campaign for free trade and increase of direct taxes had begun. In his message to Congress on December 21, Lamar sympathized with the free trade idea, but advised against any change in the tariff laws until some other system could be devised as a substitute. "The decided bias of my mind," he said,

is for the total abolition of all duties on imports, not only because it would comport with that freedom of commerce so closely connected with the fundamental rights of man, but because it would be peculiarly adapted to the future condition and policy of Texas. While I am aware, that by indirect taxation in the nature of a Tariff, the people bear the burden as consumers without scarcely perceiving it, . . . yet still I look forward to a period (I hope near at hand) when we shall be able, and will find it to our interest, to invite the commerce of the world to our free and open ports. This, however, from considerations of a high public policy, may not be done until our national independence shall be generally acknowledged. The radical policy of Texas is anti-tariff, . . . yet the immediate adoption of free trade as is proposed by many of our citizens and statesmen, would in the

⁵⁷*Telegraph and Texas Register*, November 14, 1838.

present situation of our country exhibit an apparent recklessness and imprudence, which could not fail to affect our credit abroad.⁵⁸

The House committee to which had been referred the various resolutions and petitions on the tariff agreed with Lamar that no change should be made at that time. The only alternatives to the tariff as a source of revenue were direct taxes and loans, neither of which was advisable or practical at that time—besides, all articles of prime necessity were admitted free of duty. The Senate committee, on the other hand, after agreeing that it was inexpedient to abolish the tariff until a loan could be effected or direct taxes levied on all lands, examined the arguments for and against the tariff, and came to the conclusion that all tariff laws should be blotted from the statute books. The strongest argument for repeal, they thought, was that the Republic would receive more favorable notice from England and a recognition of independence if free trade were adopted, and that recognition would expedite the making of a loan. Finally, they thought that a land tax was much more just and equal. Both Houses having adopted the recommendation of the President, all tariff bills were dropped for that session of Congress.⁵⁹

The ministers sent to the United States and the European countries were instructed to hold out a promise of commercial concessions in Texas in return for recognition of independence or a favorable commercial treaty. On November 7, 1838, a most favored nation agreement was entered into with France, and a year later recognition was extended by that country and a treaty of amity, commerce, and navigation was drawn up. As a result of this treaty, and because negotiations were under way with England, Holland, and Belgium, which might be aided by a reduction in the tariff, an act was passed in February, 1840, reducing the tariff almost to a free trade basis. The general rate of this tariff was 15 per cent *ad valorem*, payable in any kind of currency, and, as depreciation was very great, the actual rate was nearer 3 per cent. In February, 1841, the rates were increased to 45 per cent *ad valorem*, in order to provide for the depreciation, but the

⁵⁸Third Congress, *House Journal*, 180, 181; *Lamar Papers*, No. 361; *Telegraph and Texas Register*, December 26, 1838.

⁵⁹Christian, "Tariff History of the Republic of Texas," as cited, XX, 329.

specie basis continued as in the act of 1840. This free trade policy continued throughout the administration of Lamar.

To meet the needs of the government under the anticipated reduction of the tariff duties, a comprehensive direct tax law was passed. Before this direct taxes had played a minor part in the finances of the Republic, with the opponents of a tariff advocating a direct tax as more just and equal than an indirect tax. By the act of 1840 only a few articles were subjected to an *ad valorem* tax, but a large number to a specific tax. Practically all businesses were reached by license taxes. The failure of this measure to supply revenue, together with the depreciation, were responsible for the revision upward in 1841.⁶⁰

Another policy adopted by the preceding administration for securing revenue was through a foreign loan. On November 18, 1836, shortly after the constitutional government came into office, the first of the five million dollar loan acts was passed. The bonds were to run from five to thirty years and bear interest at the rate of 10 per cent, and the public faith, the proceeds from land sales, and all land taxes after 1838, were pledged to guarantee the interest and final redemption.⁶¹ This law was modified slightly by an act of May, 1838, in order to make the bonds more salable. Commissioners were sent to the United States to sell the bonds, but at the accession of Lamar no sales had been made. In his message to Congress he expressed himself as favoring a further effort to secure a foreign loan, and suggested a modification of the previous acts.

The law of January 22, 1839, followed out his suggestions. In addition to the public faith, the proceeds from land sales, and the land taxes, this law pledged the revenues from customs to guarantee the semi-annual interest, and to create a sinking fund.⁶² This was modified further by the act of January, 1840, whereby the sinking fund was to be \$300,000 or more, to be provided from the sale of public lands, or if the lands should not be brought on the market, from other revenue.⁶³

It would be unprofitable to follow out in detail the various

⁶⁰*Ibid.*, XX, 336-338; XXI, 1.

⁶¹Gammel, *Laws of Texas*, I, 1092-1093.

⁶²*Ibid.*, I, 1484.

⁶³*Ibid.*, II, 230.

efforts to secure a loan in the United States and Europe.⁶⁴ On December 24, 1838, James Hamilton of South Carolina, who had interested himself in the affairs of Texas and had assisted the Texan commissioners under the act of May 16, 1838, was appointed as loan commissioner to assist the commissioner appointed by Houston. In the fall of 1839, the commissioners succeeded in securing from the Pennsylvania Bank of the United States the sum of \$457,380 in return for the 10 per cent bonds of Texas. With this loan in the United States the commissioners went to Europe, where for two years they were active in France, Belgium, and Holland. At one time in 1841 it seemed that they were about to secure the guarantee of the French government for the bonds, and the banking house of Lafitte and Company were on the point of opening books for their sale, when the unfavorable report of Saligny, the minister to Texas, caused the French government to withhold the guarantee, and the banking company refused to handle them. All efforts to secure a foreign loan failed, and during the succeeding administration the loan acts were repealed.⁶⁵

During the whole of Lamar's administration optimistic and pessimistic reports alternated with regard to the loan negotiations, and the people were kept in a state of excitement. It seems certain that anticipation of success caused extravagance on the part of the government and speculation on the part of the people, while paper money was issued to be retired by the loan.

Lamar has been criticised by contemporaries and historians for the extensive use of paper money during his administration, but in this he was not the first offender.⁶⁶ The constitutional government inherited from the provisional government a debt represented by audited treasury drafts amounting to more than a million dollars. The constitutional government passed an act on June 7, 1837, for funding these liabilities. This act provided that all claims against the government, after having been audited, were to be received at par in exchange for ten per cent bonds. Until June 12, 1837, audited drafts were received in payment of all

⁶⁴An extensive discussion of the loan negotiations is found in H. R. Edwards, "Diplomatic Relations between France and Texas," in *Southwestern Historical Quarterly*, XX, 225-241.

⁶⁵Miller, E. T., *A Financial History of Texas*, 60, 61.

⁶⁶Miller, *A Financial History of Texas*, 59-82, gives an exhaustive account of the public debt of Texas under the Republic. For statistics and other material I am indebted to this volume.

government dues, though they were not made legal tender as between individuals. Before this the depreciation had brought their specie value to fifteen cents on the dollar. The amount of drafts issued to the beginning of Lamar's administration was \$2,105,892.82, while during his presidency the amount was \$4,881,093.47.⁶⁷

The act of June 9, 1837, started Texas upon her tempestuous experience with paper money. It authorized and required the president to issue the promissory notes of the government to the amount of \$500,000, in denominations of not less than \$1 nor more than \$1,000, payable twelve months after date, and drawing interest at 10 per cent. There were pledged for their redemption one-fourth of the proceeds of the sales of Galveston and Matagorda islands, 500,000 acres of land, all improved forfeited lands, and the faith and credit of the government. The notes were to be paid out only for the expenses of the civil departments of the government, except \$100,000 for the purchase of horses and munitions of war, and they were receivable in all payments to the government.⁶⁸

At the beginning of Lamar's administration more than \$800,000 of these notes had been issued and were in circulation. It must be said, however, that Houston disapproved excessive issue of treasury notes, and vetoed a bill to increase the amount to \$1,000,000 on the ground that an increase would destroy the value of the notes already issued.⁶⁹ The depreciation of the notes at the beginning of Lamar's administration was from fifteen to fifty per cent.

The first paper money issues of Texas had served a valuable purpose as a temporary expedient, said Lamar in his first message to Congress, "but experience admonishes us that to urge it further, or continue it longer, would be equally injudicious and prejudicial." In the place of currency issued by the government he favored currency issued by the national bank, which he advocated with so much fervor, and the bank was to issue the currency on specie which would be secured through a foreign loan.⁷⁰ In spite of this apparent turning away from paper money, however, Lamar approved, during his administration, bills providing for almost

⁶⁷Miller, *op. cit.*, 65.

⁶⁸Miller, *op. cit.*, 67.

⁶⁹*Ibid.*, 69.

⁷⁰Lamar Papers, No. 361; *Telegraph and Texas Register*, December 26, 1838.

unlimited issue of money based on nothing more than the faith in the government.

The contribution of Lamar's administration to the paper money of the Republic was the "red backs" or non-interest bearing promissory notes. By the act of January 19, 1839, requiring the stock books to be opened for funding the government liabilities, it was provided that the notes thereafter issued should not bear interest, and should be receivable for all government dues. The only thing that prevented their use as unlimited legal tender, apparently, was the provision in the Constitution against the use of anything save gold and silver as legal tender. Further additions were authorized by the act of February 5, 1840, and the act of February 5, 1841, placed no other limit on the issue than the amount of appropriations.⁷¹ From January 1, 1839, to September, 1839, there were \$1,569,010 of notes issued, and from September, 1839, to September, 1840, \$1,983,790, a total of \$3,552,800. The expenditures of the Lamar administration are responsible for this enormous increase in the public liabilities.

The first issues of the red-backs were valued only at about 37.5 cents on the dollar; in November, 1840, they had fallen to 16.66 cents; and at the close of Lamar's administration in November, 1841, they varied from 12 to 15 cents. The New Orleans quotations were for July 7, 1841, 11 to 13 cents; for September 22, 13 to 15 cents; for November 24, 12 to 13 cents; for December 15, 10 to 12 cents; and for January 5, 1842, 8 to 11 cents. After 1839 the notes ceased to circulate as a medium of exchange and became merely objects of speculation.⁷²

Various funding schemes were undertaken to relieve the condition of the currency, but none of them was effective, and the administration came to a close with the country almost bankrupt.

The explanation for the excessive use of paper money is to be found in the consistent expenditure in excess of receipts. There was not a year in the period of the Republic when the expenditures were not greatly in excess of the receipts. During Houston's administration the receipts from all sources amounted to \$260,780 while the expenditures amounted to \$1,777,362. The receipts during the three years of Lamar's administration amounted to

⁷¹Miller, *op. cit.*, 69.

⁷²Miller, *op. cit.*, 70.

\$1,083,661 and the expenditures for the same time were \$4,385,-213.⁷³

The great increase in expenditures during Lamar's administration is due to the policy of warfare against the Indians, the great increase in the civil list, the payment for the navy contracted for under Houston's administration, the removal of the Capital from Houston to Austin, and for the Santa Fé expedition. The civil list in the first year of Lamar's administration was \$550,000 as compared with \$192,000 for the last year of Houston's administration. After the first year the civil list declined, being \$347,671 for 1840 and \$255,100 for 1841. The heaviest appropriations were for the army in both administrations. The first year of Houston's administration \$700,000 were appropriated for the army. This increased the following year. The first year of Lamar's administration the appropriation for this purpose amounted to \$1,140,000; the second year, \$1,056,369; while for the third year it dropped to the lowest figure since the beginning of the Republic, \$111,050. The explanation for the increase in 1839 and 1840 is to be found in the Indian policy pursued. During the first two years of his administration Lamar pursued a policy of constant warfare against the Indians, expelling some of the tribes from the country and punishing others so that they

⁷³The following tables compiled by Professor E. T. Miller of the University of Texas illustrate the difficulties under which the government was working, and explain the financial conditions in the Republic. (*A Financial History of Texas*, 391.)

Revenues of the Republic

1836-1838	\$ 260,780
1839	187,791
1840	453,235
1841	442,635
1842-1844	457,518
1844-1846	385,023

Expenditures

1836	\$ 495,295
1837	945,961
1838	831,401
1839	1,504,173
1840	2,174,752
1841	1,176,288
1842	198,051
1843	147,274
1844	147,850
1845	243,538

removed to the frontier and made only occasional raids against the Whites. A comparative statement as to the expense of the various Indian policies was prepared by the comptroller in 1854. It showed that during Houston's first term \$190,000 were expended on account of the Indians. Lamar's term cost \$2,552,319 on that account. Houston's second term, 1841-1844, called for an expenditure of \$94,092, while the term of Jones called for only \$45,000.⁷⁴ The navy represented the next largest appropriation. For this object there were appropriated in 1839 the sum of \$380,455, and in 1840, \$525,000.⁷⁵

The great expenditures and the depreciation of the currency during the first two years of Lamar's administration naturally reacted on public opinion. The *Austin City Gazette*, which was established shortly after Austin became the capital, became the mouthpiece of the opposition to Lamar which centered in Sam Houston. On March 13, 1840, it had this personal criticism of Lamar:

Apart from politics, and as a private citizen, we shall ever respect him for his literary acquirements, his amiable disposition, and unassuming manners; but, as President of the Republic, we must, in common with a large portion of our fellow citizens, condemn many, very many of his acts; not that we blame the heart so much as the easy disposition of the man. It is there that the mischief lies: he allows others to think—to act for him.

On October 21, 1840, the same newspaper had this to say with regard to the financial condition:

Texas promissory notes are worth about fifteen cents upon the

Public Debt	
1836	\$1,250,000
1837	1,090,984
1838	1,886,425
1839	3,855,900
1840	6,241,409
1841	7,446,740
1846	9,949,007
Treasury Note Circulation	
1838	\$ 684,069
1839	2,013,762
1840	3,287,962
1841	2,920,860
1846	2,674,447

⁷⁴Miller, *op. cit.*, 391; Yoakum, *History of Texas*, II, 341 n.

⁷⁵Miller, *op. cit.*, 391.

dollar—there is little prospect of a loan—the taxes are not promptly paid; and if they were, would only return to the treasury, at par, that which was issued for less than one-sixth of the amount. The continual issue of this sort of currency can have but one tendency now, and that is, to depreciate it still further. In this exigency, what are we to do? All the officers of government, from high to low, have been required to receive its issues at par, in payment of their salaries. This has not raised it: but it has impoverished them; and now an ordinary day laborer receives more of it per diem than any civil officer under the establishment. . . .

We are at the lowest round of the ladder. Congress will soon convene, and the pay of its members will not purchase their food. The members cannot live upon patriotism; and many of them have nothing else but that and their pay to live upon.

Houston was a candidate for the presidency from the close of his first term in 1838 until his re-election in 1841. The constitutional inhibition of consecutive terms prevented his being a candidate for immediate re-election, and his unpopularity at the close of his first term would have made doubtful his re-election. In order to gain support he put himself at the head of an anti-administration party, and used the faults of the administration with considerable political skill in developing support for his candidacy. He became a member of Congress in 1839, and his opposition to the President as a congressman led to the nomination of an opposition candidate in his district in 1840, but Houston was returned by a good majority. After his re-election to Congress in 1840 he received an invitation from his constituents in San Augustine to a public dinner. Declining on account of prevailing sickness, he used the opportunity to attack the administration of Lamar and incidentally make political capital for the following year. "The approbation expressed by my fellow countrymen," he said,

touching my military, executive and legislative duties, which have devolved upon me during the important crisis through which Texas has passed, is peculiarly gratifying to me. Whether I am in private or public station, I must ever feel unceasing devotion to the prosperity of my country. Viewing the condition of the nation, we have much to deplore; but our situation is not such as to induce us to despair of ultimate success and prosperity. The finances of the nation have been destroyed by the excessive issue of treasury notes; the useless and extravagant expenditures of the

government! Nothing profitable has been produced to the country! The frontier is unprotected, our citizens have been called from their homes with necessity, when their presence was all important to their crops—the only means of subsisting their families!—the regular army inactive, though millions have been expended in its creation; the Indians harassing our citizens, and penetrating our country even to the seaboard; our credit destroyed; the citizens oppressed by taxes for the want of a sound currency, and our national debt increased six-fold within the last year. It is vain to attempt concealment of our situation any longer from the public eye,—the depression of every class of the community proclaims that there is rottenness to the core.⁷⁶

This picture of conditions was essentially correct, though given by a political opponent, who had himself been unable to resist the tendencies which had caused the downfall of the administration of his successor. This denunciation of the policies of Lamar was possibly called forth by Lamar's attack on the preceding administration in defense of his own. Characteristic of this method of defense is Lamar's letter in response to an invitation to a public dinner extended by some citizens of Galveston. "When I came into office," he said,

the country was in a disorganized condition throughout its various departments, civil and military. The public offices were in a state of chaos and confusion; the military strength of the nation was unknown and unorganized; the army had been reduced to a mere skeleton and the navy annihilated. If either had an existence, it was nominal merely, and they were incapable of any useful purposes. Our inland frontier exhibited a melancholy scene of Indian ravages and massacres whilst our entire coast, exposed and unprotected, might have been harassed at any moment, and our coast blockaded by a single armed vessel. . . . To systematize the various departments; to establish a strict accountability in the discharge of the public trust; economize the national resources; extend protection to our bleeding frontier; and to place the country as speedily as practicable in a state of defence against all its enemies, whether savage or civilized, by organizing the militia,—creating a new army, resuscitating the navy, and supplying the general deficiency of arms, ammunition and military stores, were among the early objects of my contemplation. . . .⁷⁷

⁷⁶*Austin City Gazette*, October 7, 1840.

⁷⁷Lamar to citizens of Galveston, June 2, 1840, *Lamar Papers*, No. 1810.

The Fifth Congress assembled on November 2, and the speaker, David S. Kauffman, in his opening remarks said :

But *seven* members of the last House have been deputed by the people to join in the labors of this! The destinies of Texas have been committed to other, and, I earnestly trust, abler hands. What has produced this extraordinary revolution? We cannot believe that our predecessors were dishonest or incapable; but we *know* that they failed to satisfy the expectations of an anxious and confiding people. What was their error? The voice of a nation answers: They increased, instead of diminishing, *the national expenditures*. Let us, then, gentlemen, with one accord, resolve to avoid the rock on which they split.⁷⁸

Lamar recognized the demand for some reform in the matter of finances. "Amongst the various duties which will claim the attention of Congress during the present session," he said in his annual message,

there are none more important than those which relate to the fiscal affairs of the government. That a system of finance should be adopted, if practicable, which will, to some extent, relieve the pecuniary embarrassments of the country, is so obviously necessary, that it can require no argument from me to enforce it. The entire expenditures of the government, embracing everything that is required, for the successful administration of its civil, military, and naval departments, would probably not exceed four hundred thousand dollars a year, if these expenditures could be met with funds not depreciated in value, and when it is known that the revenues of the nation as provided for by law, if faithfully collected, would amount annually to nearly one million dollars, it would seem that a system might be devised which would not only remove present embarrassments, but which could be gradually extended to the extinguishment of the national debt. . . .

In considering this important subject, it is possible that Congress may find it practicable to lessen the public expenditure without materially affecting the efficient transaction of the public business. An amalgamation of some of the public offices and a discontinuance of others may possibly be effected, temporarily at least, without producing great detriment to the substantial interests of the nation, and if it can be done in times of so much pecuniary embarrassment, no saving should be considered too small to merit attention.⁷⁹

He had no program to submit, but he recommended retrenchment.

⁷⁸Fifth Texas Congress, *House Journal*, 5-6.

⁷⁹*Ibid.*, 25.

On November 19, the spirit of Congress made itself felt. On that date a joint resolution was introduced requiring the President to receive into service a company of volunteers from San Patricio county, and it was received with protests by the members of the House led by Sam Houston.⁸⁰ On December 2, Lamar announced that Colonel W. G. Cooke had selected a suitable place on Red River for a military post, and suggested that his policy of frontier defence awaited an appropriation, or it would have to be abandoned. This was answered by a resolution which passed the House on the same day providing for a committee of five to be appointed to draft a bill to serve as a basis of retrenchment in all departments.⁸¹

The first act in harmony with the program of retrenchment was passed on December 5, when the salary of the chief justice was reduced from \$5,000 to \$3,000.⁸² On January 18, 1841, an act was passed which reduced the civil list from approximately \$550,000 to \$450,000. This was accomplished by abolishing the office of secretary of the navy and placing his duties on the secretary of war; abolishing the office of postmaster general and placing his duties on the secretary of state; discontinuing various minor offices in the state and war departments.⁸³

The greatest reductions were in the army and navy appropriations. In spite of the failure of all peace negotiations and the threat of a Mexican invasion, and the recommendation of Lamar and Burnet, who followed him as Acting President, for preparations for an offensive war against Mexico, the two Houses of Congress failed to agree on an army appropriation bill, and there was no appropriation for that year, which resulted in an order by Lamar disbanding the regular army.⁸⁴ At the same time they refused to appropriate money for military aid to a commercial expedition to Santa Fé, an object on which Lamar had set his heart, and which he finally undertook in spite of the failure of Congress to appropriate funds. For the army and navy the appropriation

⁸⁰Fifth Texas Congress, First Session, *House Journal*, 127-128.

⁸¹*Ibid.*, 181, 211.

⁸²Gammel, *Laws of Texas*, II, 553.

⁸³*Ibid.*, II, 569.

⁸⁴Fifth Texas Congress, First Session, *House Journal*, 720-723.

amounted to the sum of \$211,050, as against \$1,581,369 for the preceding year.⁸⁵

No methods were found at that session of Congress for remedying the condition of the currency, and perhaps nothing would have availed. The preceding Congress had passed an act providing for the issue of eight per cent treasury bonds instead of notes, but as these were of no more value in the market than the non-interest bearing notes, and as these created an additional obligation for the government in the payment of interest, an act was passed in February, 1841, providing that no more such bonds should be issued after March 1.⁸⁶ An effort was made to increase the revenue by raising the rates of tariff duties, but as we have seen, it resulted only in a law raising the nominal rates to accord with their specie value.

Lamar has been criticized more severely for his financial policy than for anything else, and it cannot be claimed that his policies resulted in a sound financial system. He recognized this himself, and in every message called attention to the need for a circulating medium based on something more than faith in the government. It was not his fault that paper money, greatly depreciated, was in circulation when he assumed the presidency, but he might be blamed for continuing after he came into office a practice that had proven itself faulty. It must be remembered, however, that the central idea of his financial policies was the securing of a foreign loan which was to serve as the capital for a government owned and operated bank, and almost till the end of his administration the loan commissioners in Europe held out the hope of securing the loan which Lamar considered necessary. It is likely, it seems to me, that the loan could have been secured if it had not been that the financial stringency in 1837 had caused many of the States of the United States to default on the interest on bonds held by foreign investors, thereby making capital timid in regard to American securities.

It is claimed by his critics that in view of the condition of the finances the appropriations were exorbitant. It is admitted that there was an increase in the appropriations, though the nominal increase, on account of the depreciation was greater than the real.

⁸⁵Miller, *Op. cit.*, 23.

⁸⁶Gammel, *Laws of Texas*, II, 639.

He himself justified the increase in expenditures by saying that the army was disbanded when he came into office and he found it necessary to create a new one. His administration also had to pay for a navy which was contracted for in the preceding administration. In my judgment the appropriations for the army were entirely justified. Undoubtedly the conciliatory policy of Houston with regard to the Indians had broken down. Many of the western counties were entirely depopulated, and there was an overwhelming public sentiment for war with the Indians. Lamar could have done no less than adopt a policy of warfare, and that called for the creation of an army, the establishment of military posts, and the organization of a permanent ranger service. This policy justified itself, as I shall show later, and after 1840 the Indians retired to the frontier and made only occasional attacks on the settlements.

The term "visionary schemes" which has so often been applied to the policies of Lamar, the creation of a national bank, the Santa Fé Expedition, the naval war against Mexico in alliance with Yucatan, and other policies, cannot be justified unless it is meant that he did not understand the limitations of the people over whom he was ruling. Some of his policies were practical, even though they failed from accidental causes. A contrast of his administration with that of Houston's first administration results to the advantage of Lamar's; but a comparison with Houston's second results in disadvantage to Lamar's.

It is not the purpose here to go into the second administration of Houston, further than to call attention to a few factors bearing on the financial history of Lamar's administration which naturally fall into that of his successor. The first thing that Houston's administration did was to cease the issue of treasury notes and take away their legal tender character.⁸⁷ At the same time the five million dollar loan acts were repealed.⁸⁸ The repeal of these acts, however, showed no constructive policy on the part of Houston. The treasury notes had ceased to circulate, and all chance of a foreign loan had disappeared, hence it was nothing more than a legal ratification of existing fact. The one constructive policy was the reenactment of a higher tariff on imports, January 27,

⁸⁷Gammel, *Laws of Texas*, II, 727.

⁸⁸*Ibid.*, II, 954.

1842.⁸⁹ Foreign or domestic loans were impossible, for the credit of Texas was utterly gone, hence it was necessary for the new administration to adopt a program of economy, which happily resulted in the improvement of general conditions, though still no method of funding the notes of the government was arrived at.

III. Army and Navy

The War of Independence in Texas was won by a citizen army gathered together hurriedly during the pressure of the Mexican invasion. The Consultation had passed an ordinance providing for the creation of a regular army, the organization of the militia, a force of rangers, and an auxiliary force of volunteers for the period of the war to be drawn from the United States. The militia had not been organized at the beginning of the invasion of Texas, and remained unorganized until after the battle of San Jacinto. Up to the time of San Jacinto, also, there had been few enlistments among the regulars, and the auxiliary force of volunteers from the United States arrived too late to participate in the San Jacinto campaign. Shortly after this battle volunteers began to arrive from the United States and in June the army amounted to about twenty-four hundred, and as the "old settlers had gone home when the pressure was relieved, the army consisted almost entirely of volunteers.⁹⁰

It was this army which had refused to receive Lamar as commander-in-chief in July, partly because of a belief that General Houston was still commander-in-chief, and partly because of the intrigue of Felix Huston, Thomas J. Green, and General Rusk. The withdrawal of Lamar left the army in the same condition that it was in at the time of his appointment, with General Rusk acting as commander-in-chief, but with Sam Houston addressing communications to the army as commander-in-chief. The army, after the threat of a new Mexican invasion had disappeared, began to break up, and this was the situation when General Houston assumed the presidency in October, 1836.

The appointment of Rusk as secretary of war left the army under the command of Felix Huston as senior brigadier-general. In

⁸⁹*Ibid.*, II, 734-737.

⁹⁰Barker, "The Texan Revolutionary Army," in Texas Historical Association *Quarterly*, IX, 228-261, *passim*.

January, 1837, President Houston appointed Albert Sidney Johnston to the command of the army, but when he arrived at the headquarters to take command Huston refused to surrender the command, challenging Johnston to a duel. In the duel Johnston was severely wounded, and Huston continued in command of the army. In May Huston went to the seat of government to secure the support of the Congress for an offensive against Mexico. Unable to pay the soldiers, and unable to control them under a mutinous commander-in-chief, Houston took advantage of the absence of Felix Huston from the army, and on May 18 issued orders for the furlough of all the volunteers except six hundred.⁹¹ Practically all that were left in the army at that time were volunteers, not many more than seven hundred were embodied, and it is certain that almost all of these were furloughed. Houston said he retained only enough to maintain certain important posts.⁹²

The attitude of Congress towards a military establishment was indicated by the passage of laws early in the first session of the First Congress for the organization of the militia, for a permanent force consisting of a battalion of mounted riflemen for frontier defence, and for a permanent military establishment. By the act of December 20, 1836, besides the militia, volunteers, and mounted riflemen, the military establishment was to consist of one regiment of cavalry, one regiment of artillery, and four regiments of infantry, with certain engineers and ordnance officers.⁹³ The whole army was to be commanded by a major-general appointed by the President. It was under this act that Johnston was appointed major-general, but, as we have seen, he was unable to take over the command on account of the opposition of Felix Huston. In spite of this riotous condition of the army, however, Houston, in his message at the beginning of the called session of the First Congress, in May, 1837, said that the army had never been in a better condition. He said that the permanent force in the field was sufficient to meet all the emergencies of invasions, while at the shortest notice the defence of the country could be brought into immediate action. He complimented the general

⁹¹Williams, *Sam Houston*, 238; Houston's message to Congress, November 21, 1837; Crane, *Life of Sam Houston*, 288; Yoakum, *History of Texas*, II.

⁹²Message to Congress, November 21, 1837.

⁹³Gammel, *Laws of Texas*, I, 1223-1226.

for the discipline which had been established, and said that by a reduction of the supernumerary officers the expense would be only \$229,032 per year. Less than two weeks later he issued the order for disbanding the army by means of furloughs, and from that time until the end of his administration there was no organized military establishment for the Republic, dependence being placed on the militia in any emergency.

Throughout the administration of Houston there was complaint as to his Indian policy, which left the frontiers unprotected while he tried to put into effect his principles of conciliation. During the greater part of 1838 there were constant Indian raids, and in July there was a rather ambitious revolt on the part of the Mexicans and Indians about Nacogdoches. A hastily collected body of volunteers under General Rusk averted the threatened rebellion and proceeded to chastise the Indians engaged in the revolt. Under these circumstances there was a popular demand for a different policy, and Lamar, in his first message to Congress took this into consideration, recommending the creation of a standing army to be used for frontier defence.⁹⁴

Congress, willing to cooperate with the Executive, and unmindful of the fact that there were ample laws on the statute books for the creation of a standing army, passed a law providing for a regiment of eight hundred and forty men, divided into fifteen companies, for the protection of the northern and western frontiers.⁹⁵ Colonel Edward Burleson was placed in command, and stationed at Bastrop to recruit the proposed army. In spite of the fact that a complete staff was organized, and strenuous efforts made to enlist enough men to bring the army to efficiency, this army of regulars never attained the intended strength, and played a minor part in the Indian campaigns of the first two years of Lamar's administration. The force of rangers which had been first provided for by the General Council proved one of the most effective forces in Indian warfare, though they were aided in any important campaign by the militia and what few regulars could be gotten together. Of the two most important campaigns, the one against the Cherokees in 1839 was carried out chiefly by the militia, though

⁹⁴*Lamar Papers*, No. 361; *Telegraph and Texas Register*, December 26, 1838.

⁹⁵Gammel, *Laws of Texas*, II, 15.

aided by the regulars under Colonel Burleson, while the one against the Comanches in 1840 was carried out by a force which volunteered for that campaign, though it was commanded by a regular army officer.⁹⁶

Fortunately for Texas during the first two years of Lamar's administration, the Mexicans were occupied with their own affairs and could devote no attention to Texas. In 1839 took place the war with France, and the Mexican ports were blockaded. In 1840 there was civil war between the Federalists and Centralists in Mexico, which served to divert the attention of the Mexicans from their revolting province. This fact is probably responsible for a lack of eagerness in enlisting in the regular army. It was this also which made possible the use of the whole army in war against the Indians. Under the circumstances, the administration was unable to depart materially from the practice of the preceding one, and had to depend on the militia hurriedly called together to avert a threatened attack or punish one that had already taken place. The determination of Lamar to exterminate the Indians made necessary the constant mobilization of parts of the militia and led to heavy expenditures for the two years of Indian warfare.

The regular army was brought to an end by the action of the Congress which sat in 1840-1841. As we have seen, this Congress was elected on the issue of retrenchment. As a part of that program the House passed a measure on January 28, 1841, providing for the disbanding of the regular army.⁹⁷ The Senate refused to concur in this measure, but the House refused to make any appropriations for its support, and thus accomplished the destruction of the regular army. In the absence of an appropriation for its support, Lamar directed the comptroller on March 24 to open an account on his books for the disbanding of the regular army.⁹⁸ This was in the face of a threatened Mexican invasion which materialized a short time later. Thus Lamar's administration closed as it had begun, without an army sufficient for self defense.

Just as there was no army to speak of when Lamar assumed the

⁹⁶The details of these Indian campaigns will be given in another chapter, where I shall attempt to make clearer the use of the army in the Indian campaigns.

⁹⁷Fifth Texas Congress, First Session, *House Journal*, 631.

⁹⁸Yoakum, *History of Texas*, II, 323, note.

presidency, so there was no navy at all. Congress and the President had recognized the necessity of a navy, however, and in November, 1836, passed a law authorizing the purchase of a navy.⁹⁹ The government was unable to find funds for the purchase of the vessels provided for, and no action was taken. When the law was passed there were still a few naval vessels under the flag of the Republic of Texas. Before the close of another year three of the four vessels had been lost through capture and wreck, and the Congress passed an act in September, 1837, authorizing the purchase of a five hundred ton ship mounting eighteen guns, two three hundred ton brigs of twelve guns each, and three schooners of one hundred and thirty tons, mounting five or seven guns each. They appropriated \$280,000 to pay for the ships, and authorized the secretary of the treasury to furnish the purchasing agent with a draft on the loan commissioners in the United States.¹⁰⁰ President Houston appointed Samuel M. Williams as an agent to purchase the ships, and Williams at once executed his bond and proceeded to Baltimore.¹⁰¹ In the meantime the President disbanded the officers and men of the navy until the vessels could be secured.

Williams succeeded in securing in October, 1838, the *Charleston*, for which the Congress appropriated \$120,000. A short time later he contracted with Frederick Dawson of Baltimore for one ship, two brigs, and three schooners. The cost of these ships was to be \$280,000, but as Texas had no money, the bonds of the government were to be executed by the loan commissioners, and deposited in the Bank of the United States of Pennsylvania for \$560,000. Interest was to be paid at the rate of ten per cent, and in case of defaulting on the interest the government of Texas was to forfeit the extra deposit of \$280,000.¹⁰² Payment was not made at maturity, and the whole amount with interest was claimed and ultimately paid by Texas.¹

Word that the ships had been contracted for arrived shortly

⁹⁹Gammel, *Laws of Texas*, I, 1090.

¹⁰⁰*Ibid.*, I, 1355.

¹⁰¹Report of Secretary of the Navy in Third Texas Congress, First Session, *House Journal*, 15-20.

¹⁰²Fifth Texas Congress, First Session, *House Journal, Appendix*, 202-204; Dienst, "The Navy of the Republic of Texas" in *Texas Historical Association Quarterly*, XIII, 8.

¹Miller, *A Financial History of Texas*, 63; Report of the Auditor and Comptroller, December 27, 1849, and November 12, 1851.

after Lamar's inauguration, and on January 26, 1839, Congress passed and the President approved an act appropriating \$250,000 for the maintenance of the navy for the year.² It will be seen that this navy, which was contracted for under the preceding administration, cost in the neighborhood of \$600,000, and with the sum appropriated for its maintenance the expense to the Lamar administration during its first year was more than \$800,000.

The ships began arriving early in 1839. In March the *Charleston* reached Galveston, and her name and flag were changed. She was commissioned as the *Zavala*. On June 27 the schooner *San Jacinto*, the first ship under the Dawson contract, was delivered; on August 7, the schooner *San Antonio*; on August 31, the brig *Colorado*. A corvette and a brig were delivered in January and April of the following year, making the list complete.³

The delivery of the ships of the navy was completed by April, 1840, and Commodore Edwin Ward Moore was placed in command with the rank of Post Captain. The greatest difficulty confronting him in his position was the securing of seamen for the ships of the navy. For this purpose some of the vessels proceeded to ports of the United States, and attempted to secure sailors there. Moore himself in the *Colorado* went to New York where he ran afoul of the United States laws and was prosecuted under the neutrality law of 1818. The American Secretary of State submitted to the Texan minister a mass of depositions to prove that Moore was violating the neutrality laws of the United States. It was charged that Moore "has for some time past been engaged in hiring and retaining within the Territory and jurisdiction of the United States, citizens of the United States, and other persons to enlist themselves in the service of the Republic of Texas as mariners or seamen on board the said Brig of war, the Colorado."⁴

While Moore was still in New York recruiting men, but with some of the ships already manned, the Congress passed an act requiring the President to retire from the service temporarily all the fleet except such schooners as were necessary for enforcing the revenue laws, and to retain only enough officers and men to carry out the purposes of the act. It was provided, however, that if

²Gammel, *Laws of Texas*, II, 129.

³Dienst, *op. cit.*, 10.

⁴Dunlap to Burnet, January 27, 1840 (enclosure); Garrison, *Dip. Cor. Tex.*, I, 436.

Mexico should make any hostile demonstrations on the Gulf, the President might order into service any number of the vessels he might deem necessary. This act was approved by Lamar on February 5, 1840.⁵

President Lamar, however, did not carry out the provisions of this law. Acting on the advice of friends,⁶ he allowed the work of fitting the ships for the sea to go on. By June 24 they were ready for service, and on that date they set sail on a voyage which carried them to Sisal, Campeachy, Vera Cruz, and other points on the Mexican coast. The last of the ships returned on December 9, bringing the body of Treat, who had been acting as secret agent of the Texan government in Mexico.⁷

In his message in November, 1840, Lamar justified himself for disregarding the act of Congress requiring the vessels to be laid up in ordinary. He said that it was confidently stated in the papers of the United States that Mexico had made contracts for the purchase of several vessels of war in Europe, and that she had actually secured a steam vessel in England and was about to descend on the Texan coast and cut off commerce; that under those conditions he would have been violating the spirit and intentions of the act of Congress instead of carrying it into effect if he had caused the seamen already in the service to be disbanded and the vessels to be laid in ordinary. Besides,

Yucatan and Tabasco, lately forming a part of the confederate states of Mexico, wearied of the oppressions that followed the overthrow of the federal system in that republic, seceded from the central government, and uniting together pronounced their determination to be free. Similarity of circumstances and design naturally creates a sympathy of feeling, and would prompt this government to regard with peculiar interest the efforts of the citizens of the southern provinces to do precisely what we had so recently accomplished. But considerations of a higher character suggested the propriety of making a demonstration of our naval power on the coast of the new republic. It was expected to ascertain from the authorities established there in what relation this government should regard them, and whether their secession from Mexico would terminate their

⁵Gammel, *Laws of Texas*, II, 364.

⁶See Francis Moore, Jr., to Lamar, March 9, 1840, *Lamar Papers*, No. 1741.

⁷Dienst, *op. cit.*, 25.

belligerent condition towards Texas. . . . It was considered advisable to communicate to the authorities our friendly disposition, and to convey them with such a palpable exhibition of power as would render them efficacious and permanent; and I am gratified to remark that these professions were readily and kindly received and cordially reciprocated by the new government.

At the same time, he said, he had felt it his duty to refrain from the capture of any Mexican ships as long as negotiations were being undertaken for a peaceful settlement of all difficulties. The naval equipments of a country, he asserted, were essentially different from the military. Competent officers might be chosen from among the people for the command of an army, but a navy required trained men. "To have disbanded the accomplished and gallant officers who have embarked in our naval service," he concluded,

at the moment when we had reason to believe our enemy was preparing a naval armament for our coast, would, in the opinion of the executive, have not only been indiscreet and impolitic, but would, as he believes, have been contrary to the true intention and meaning of Congress, as expressed in the act of the last session. It is true it might have saved us some expenditure, but it is equally true that it might have involved the country in great disaster and an irreparable loss of reputation.⁸

It seems that the purposes of the cruise were achieved. The rumors that Mexico was preparing to blockade the coast of Texas were probably false, and the cruise was unnecessary from that standpoint. It did serve, however, to establish friendly relations with the federalists of Yucatan, and resulted in an alliance with that province the following year against the Mexican government. After proceeding to Vera Cruz and delivering letters to Treat and receiving others from him to the state department, some of the ships proceeded to the Texas coast, remaining only a short time for orders, and returned to the Yucatan region. In December Moore proceeded up the Tabasco river and captured the town of Tabasco, levying on the people the sum of \$25,000, which was used in refitting the vessels for a longer cruise. The town was turned over to the Federalists.⁹ The whole fleet was back in Galveston in April, 1841.

From May to November, 1841, the vessels of the navy were en-

⁸Fifth Texas Congress, First Session, *House Journal*, 20-22.

⁹Dienst, *op. cit.*, 26.

gaged in the survey of the coast of Texas.¹⁰ In the meantime Lamar had formed a naval alliance with Yucatan. Under the terms of this alliance the fleet of Texas was to be used to aid the Federalists of Yucatan against the Centralists who were in control of Mexico at that time. On September 18, 1841, Moore received his orders to prepare for the voyage to Yucatan, and on December 13 the vessels set sail. Two days later the secretary of the navy, George W. Hockley, acting on the orders of President Houston, who had been inaugurated on the 12th, directed Moore to return to Galveston immediately and await further orders. Moore did not receive these orders until March 10, 1842, and did not comply with them, but proceeded to carry out the terms of the alliance between Texas and Yucatan.¹¹

IV. *Location of the Permanent Seat of Government*

One of the first problems confronting the Lamar Administration was the establishment of a permanent seat of government. During the period of the war and the provisional government the seat of government had been at various places. In his proclamation calling the election for officers under the constitution, President Burnet designated Columbia as the meeting place of the First Congress. The Congress met there, and on October 22 Houston was inaugurated. Congress and the President were not satisfied with the location, because of poor accommodations, and shortly afterwards an act was passed temporarily locating the seat of government at Houston until the end of the session of Congress which was to assemble in the year 1840.¹²

There was considerable opposition to the location of the capital at Houston, which was selected by a joint ballot of the two houses by a narrow margin.¹³ At the time Houston was selected there was not a single building there, and thought ample buildings for the government were promised by the meeting of Congress on May 1, 1837, they were not provided. Besides, there were complaints of

¹⁰*Ibid.*, 29.

¹¹Dienst, *op. cit.*, 37.

¹²Gammel, *Laws of Texas*, I, 1217.

¹³The vote on the fourth ballot was Houston, 21; Matagorda, 4; Washington, 14; and Columbia, 1, giving Houston a majority of only two.—Winkler, "The Seat of Government of Texas," in *Texas Historical Association Quarterly*, X, 165.

the bad streets, the unhealthful conditions in the place, and other matters. And as early as August 9, 1837, the question of the permanent location of the seat of government was forecast as an issue of the campaigns for Congress.¹⁴

Responding to this sentiment the second Congress passed a joint resolution, approved by the President on October 19, providing for the election by joint ballot of the two houses of five commissioners to select a site for the permanent location of the seat of government. The commissioners were required to give public notice of their appointment, and "receive such propositions for the sale of lands as may be made them, not less than one, nor more than six leagues of land; and also examine such places as they may think proper on vacant lands; and that they be authorized to enter into conditional contracts for the purchase of such locations as they may think proper, subject to ratification or rejection by this congress." They were required to make a report to Congress by November 15, 1837; and in making selections they were to be confined to the country between the Trinity and Guadalupe rivers, and they were to select no place more than one hundred miles north of the upper San Antonio road, nor south of a direct line running from the Trinity to the Guadalupe river, crossing the Brazos at Fort Bend.¹⁵

The commissioners elected under this act made their report on November 20, recommending various places in order of preference, based largely on material benefits to be derived in the way of bonuses and land. This report was submitted to a select committee of the two houses. The committee reported on the 28th recommending the appointment of a joint committee of both houses to visit the various sites suggested during the vacation of Congress and report back at the beginning of the next session. Congress adopted the report of the committee, and provided by joint resolution for the election of three members from the House and two from the Senate.¹⁶

The commissioners provided for by this resolution were duly elected, and on March 8, 1838, they made a contract with John Eblin for the purchase of his league of land, and reserved for the government all the vacant lands lying within a radius of nine miles

¹⁴*Ibid.*, 185-188, *passim*; *Telegraph and Texas Register*, August 9, 1837.

¹⁵Gammel, *Laws of Texas*, I, 1346.

¹⁶Gammel, *Laws of Texas*, I, 1402; Winkler, "The Seat of Government of Texas," as cited, 190-196, *passim*.

of a point near the western boundary of Eblin's League.¹⁷ On April 14 the commissioners reported to Congress that they had bought the Eblin League lying on the east bank of the Colorado river, just below La Grange. As was the custom, this was submitted to a joint committee of the two houses, and the committee reported on May 7 without making any recommendations. Two days later the houses met in joint session for the purpose of choosing a site for the permanent government, and the location of Eblin's League was decided upon on the second ballot.¹⁸ A bill was drawn up embodying this decision, but it was vetoed by President Houston on the ground that the act locating the temporary seat of government provided that it should remain at Houston until 1840.¹⁹

From the foregoing it is obvious that sooner or later the location of a permanent seat of government would become a political issue; and this it did, along with other sectional questions, in the presidential and congressional campaigns of 1838. Houston was from the eastern part of the Republic, and it was charged that his veto of the bill for locating the capital on the Colorado was due to his interest in the East, as well as to a personal vanity which influenced him in maintaining the capital at the city of his own name. After the nomination of Lamar by members of the Senate in December, 1837, and by various meetings over the State in the early months of 1838, those interested in the advancement of the East through the election of a President representing that section petitioned General Rusk to become a candidate for the Presidency. When he declined, the same persons appealed to P. W. Grayson, who consented to make the race. His death during the campaign eliminated the strongest representative of the East, and led to the almost unopposed election of Lamar.²⁰

The *Matagorda Bulletin* took the lead in advancing the claims of the West to the capital. On March 7, 1838, the editor wrote:

Several of our citizens have just returned from the up-country and the far West, where they have been engaged since the opening of the land office, in locating their lands. They bring the most flattering accounts of the emigration which is now pouring into

¹⁷Winkler, as cited, 199.

¹⁸*Ibid.*, 204.

¹⁹Second Texas Congress, Third Session, *House Journal*, 162, 163.

²⁰*Telegraph and Texas Register*, May 19 and 26, 1838.

the interior, with a rapidity altogether unparalleled in the settlement of the country. The new comers we understand are nearly all farmers, and are now making extensive preparations to cultivate the soil. The Colorado, up to the base of the mountains, is alive with the opening of new plantations, and towns and villages seem to be springing up spontaneously along its banks.

In advocating the election of Lamar to the presidency, the editor on March 28, wrote as follows:

But above all, the character and qualifications of the next chief magistrate of the Republic of Texas, should be *extensively* and favourably known, to the people of the United States. Emigration, which is so earnestly desired by every good and patriotic citizen, and which alone can hasten the rising greatness of this flourishing republic, will be checked or promoted by the character of the man whom we shall elevate to that distinguished office.

On August 24, 1838, a correspondent of the *Matagorda Bulletin* urged the election of George Sutherland as senator from Matagorda, saying that he was a true representative of the West, and that he had supported strongly the location of the seat of government on the Colorado in the preceding Congress. "The Seat of Government," he continued,

will be permanently located during the next two years; and no measure can be so big with consequences to the West, and particularly to the citizens of this Senatorial District as its location on the Colorado. It will promote emigration to the West, thereby giving protection to the frontier settlements, and enhancing the value of our lands. It will also increase most rapidly the settlement of the lands of the Colorado, and of the country west of it, thereby increasing the capital and interest of that section of the country, which will result in important public improvements, increasing the facilities of commerce and trade.

Early in the session of the Congress which assembled on November 5, 1838, efforts began to secure the permanent location of the seat of government. By January 14, 1839, a bill had passed through Congress and been approved by the President embodying the desires of the advocates of a western location.

This act, as had been the case in the earlier acts, created a commission consisting of five men, two to be elected by the Senate and three by the House, and it was their duty to select a site for the location of the capital at some point between the Trinity and Colo-

rado rivers, and above the old San Antonio road. The name of the site was to be Austin. The commissioners were to select not less than one nor more than four leagues of land for the site, and if it could not be obtained out of the public domain or by donation, they were empowered to purchase it, being limited to the price of three dollars per acre. They were to enter into a bond with good security of one hundred thousand dollars.²¹

The commissioners, A. C. Horton and I. W. Burton for the Senate, and William Menifee, Isaac Campbell and Louis P. Cooke from the House, were elected on January 15th and 16th.²² Immediately after the adjournment of Congress on the 24th the commissioners proceeded to their work, and they reported on April 13 their selection of the town of Waterloo on the Colorado at the foot of the mountains.

It is likely that Lamar exercised a determining influence in the selection of the present Austin as the permanent seat of government. At the beginning of his administration the Congress was practically unanimous in his favor, and there is no doubting his influence with its members during the early sessions. Being Vice-President during the preceding administration he was well placed to judge of public sentiment as it expressed itself in Congress; and it had become apparent that a more western location than Houston was desired. It seemed to be the general impression that a position on the Colorado would be chosen, but the exact site was not anticipated. The following extract from an article by an "old settler," Judge A. W. Terrell, indicates that Lamar first examined and recommended the site chosen.

General Lamar, in the autumn of 1837 or 1838, weary with official duties, came to the upper Colorado on a buffalo hunt. He procured an escort of six rangers at the old fort that stood in Fort Prairie, six miles below where Austin now is. Among them were James O. Rice and William Avery, both of whom long afterwards became my clients. From them and from the Rev. Edward Fontaine (a great-grandson of Patrick Henry), then the Episcopal minister in Austin, who for years was my friend and neighbor, I learned what I am about to state regarding Lamar's buffalo hunt and other matters.

Jacob Harrell was then the only white frontier settler where Austin is located, and no white men lived on the waters of the

²¹Gammel, *Laws of Texas*, II, 161.

²²Third Texas Congress, *Senate Journal*, 108; *House Journal*, 358.

Colorado above him. His cabin, and a stockade made of split logs to protect his horses from the Indians, were built at the mouth of Shoal Creek, near the river ford. There Lamar and Fontaine (who was his private secretary), and their ranger escort camped for the night, and were awakened next morning early by Jake Harrell's little son, who told them that the prairie was full of buffalo. Lamar and his men were soon in the saddle, and after killing all the buffalo they wanted were assembled by a recall sounded by the bugler on the very hill where now stands the State Capitol building. Lamar, while looking from that hill on the valley covered with wild rye,—the mountains up the river, and the charming view to the south, remarked, "This should be the seat of future Empire." . . .

When afterwards in 1839 Lamar was president he approved the Act of Congress of January 16, 1839, which provided for the commissioners to select a site for the Capital. He appointed among them A. C. Hertton,²³ whom I knew quite well, and instructed them to go to Jake Harrell's cabin and look carefully at that location. Fontaine was present when the President talked to the Commissioners, and thought that Lamar's admiration of the ground near Harrell's cabin had much to do with the report of the Commissioners.²⁴

Whether or not this account represents the facts, I am unable to say. It is true, however, that in the report of the commissioners of their choice of a site the defense of their selection was based, on two of the most prominent of Lamar's policies, the protection of the frontier and the necessity for securing the Santa Fé trade. It will be remembered that the commissioners were limited to a point between the Trinity and Colorado rivers north of the San Antonio road. Stating that there was no great choice between the two rivers, they said that the town of Waterloo was more favorable in their opinion than a point on the Brazos; and then they showed their attitude to be in harmony with that of Lamar with regard to frontier defense when they said:

In reference to the protection to be afforded to the frontier by the location of the Seat of Government, a majority of the Commissioners are of the opinion that that object will be as well attained by the location upon one river as upon the other, being also of the opinion that within a short period of time following the loca-

²³This is an error. The Commissioners were elected by the two houses of Congress.

²⁴A. W. Terrell, "The City of Austin from 1839 to 1865," in *Texas Historical Association Quarterly*, XIV, 113-114.

tion of the Seat of Government on the Frontier, the extension of the Settlements produced thereby, will engender other theories of defence, on lands now the homes of the Comanche and the Bison.

The commissioners anticipated the time when a great thoroughfare should be established between Santa Fé and the Texas seaports, and between Red River and Matamoras, and the two routes would intersect almost exactly at the seat chosen. It is certain that Lamar had this feature in mind when the commissioners left Houston on their journey of inspection. William Jefferson Jones was in Houston some time in January, just before going to his station in the army which was being organized at Bastrop. He had discussed with Lamar the importance of the Santa Fé trade, and after leaving Houston had written to the secretary of war along the same lines. On February 8, 1839, he wrote Lamar reiterating his statements with regard to the Santa Fé trade, and declaring that he had no doubt that the seat of government would be located at the town of Waterloo.²⁵ The known interest of Lamar in frontier defense and the Santa Fé trade, together with the report by the commissioners favoring the location for those reasons, indicates that there was a close understanding between the President and the commissioners.²⁶

At the time of its selection Waterloo, which was renamed Austin, was on the very outskirts of settlement. There were in the town itself, according to the *Matagorda Bulletin* for April 15, 1839, only four families, and in another settlement a few miles distant there were about twenty. According to this same paper, however, immigration was not slow in beginning to flow into that part of the State.²⁷ This paper, in again commending the selection of Waterloo, on August 1, 1839, said:

The most cheering accounts are daily received of the immense emigration to the Upper Colorado and western country. We have always been satisfied that it was [only] necessary that the beautiful country situated there should be known to render it very shortly the most densely populated part of the Republic. The location of the seat of government at its present site has had the effect to bring it into notice.

²⁵*Lamar Papers*, No. 1049.

²⁶The full report of the commissioners can be found in Winkler, "Seat of Government of Texas," in *Texas Historical Quarterly*, X, 217-220.

²⁷*Matagorda Bulletin*, May 2, 1839.

The *Telegraph and Texas Register*, June 12, 1839, found that the location of the capital in that quarter of the frontier had deterred many citizens who had been doubtful about remaining on the frontier from leaving.

Not all the newspapers approved the choice, however. The people east of the Trinity would have been glad to have had the capital nearer the center of the State. The Houston *Morning Star* found it objectionable because it possessed none of the advantages of a city, "timber being scarce, water not *too* abundant, the situation remote from the Gulf, and there being no navigable stream near it, at least at present, the immediate surrounding country not being fertile, and the town being at the *end* of the road, beyond which there is nothing to see."²⁸

The original act providing for the location of the capital had not provided for the time of removal from Houston to Austin. This was remedied a few days later by a supplementary act requiring the President to proceed, with his cabinet officers, and the archives of the government, to the point selected, previous to October 1, and that the next Congress should convene there on the second Monday of the following November.²⁹

The report of the locating commissioners was anticipated by the appointment of Edwin Waller as government agent for the new city of Austin. He was to survey the lots, provide for their sale at auction, and after this was accomplished, he was to superintend the construction of the necessary public buildings. Waller was entirely successful in all these duties. The surveying began on May 21, the sale of lots began on August 1, and by the time the officers of the government arrived in October a sufficient number of buildings were completed to house the various departments comfortably.³⁰

President Lamar and a part of his cabinet arrived in Austin on October 17 and were received with elaborate celebrations.³¹ The Congress assembled as provided for on the second Monday in November, and there was a quorum present the first day. President Lamar sent in his message on November 12, and stated that

²⁸*Morning Star*, July 27, 1839.

²⁹Gammel, *Laws of Texas*, II.

³⁰Winkler, "The Seat of Government of Texas," in *Texas Historical Association Quarterly*, X, 227-233, *passim*.

³¹*Austin City Gazette*, October 30, 1839.

he had great pleasure in meeting the representatives of the people for the first time assembled at the permanent seat of government. He congratulated them and the country in general that a question which had so deeply excited the national legislature had thus been put at rest; and sincerely hoped that no similar subject would arise in future to abstract their attention from the harmonious consideration of such matters of general and local policy as might be regarded essential to the prosperity of the nation. "That the selection of the site now occupied will command universal approbation," he said, "is not to be expected. A diversity of opinion upon such subjects is the unavoidable result of the diversity of interests and local prejudices which must necessarily exist in a country so widely extended as ours." He showed his real attitude towards the question when he continued:

But its geographical position, the apparent healthfulness of its climate, the beauty of its scenery, the abundance and convenience of its material for constructing the most permanent edifices, its easy access to our maritime frontier, and its adaptation to protection against Indian depredations, thereby inviting settlements to one of the finest portions of our country, [afford] ample proofs of the judgement and fidelity of the commissioners, an abundant reason to approve their choice. That you and others will experience some privations which might have been spared if the location had been made in a section of the country of greater population and improvement is certainly true; but I cannot believe that a people who have voluntarily exchanged the ease and luxuries of plentiful houses, for the toil and privations of a wilderness will repine at the sacrifice of a few personal comforts which the good of the nation may require of them.³²

It will be remembered that no provision had been made for the commissioners to report back to the Congress their findings with regard to their location of the capital site; and before the Congress even met the government had been removed from Houston to Austin. Those opposed to the location selected attempted to secure a reconsideration by introducing and supporting a bill providing for a plebiscite on the fourth Monday in May, 1840, to determine whether or not the seat of government should be located, for a period of twenty-five years, at Austin or at the point on the Brazos rejected by the commissioners. This led to an excited debate in which Houston, who had just taken his seat as a repre-

³²*Lamar Papers*, No. 361.

sentative from San Augustine, was one of the most conspicuous figures. The enacting clause was stricken out by a vote of 21 to 16, a strictly sectional vote. To add to the appearance of permanency the same Congress passed an act for constructing public buildings as nearly fireproof as possible.³³

The seat of government continued at Austin until the close of Lamar's administration. Shortly after the inauguration of Houston for his second term in December, 1841, he removed the government to Houston without the consent of Congress, and in spite of the demand of the citizens of Austin for a return of the government, he exercised his functions elsewhere. The citizens of Austin resisted successfully the removal of the archives, and after the conclusion of Houston's second administration the government returned permanently to the city of Austin.

(Continued.)

³³Winkler, "The Seat of Government of Texas," in *Texas Historical Association Quarterly*, X, 244.